THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FAILEIRO): (a) to (c) Consequent on the decontrol of phosphatic fertilizers w.e.f. 25.8.1992 and also decanalisation of DAP imports, producers/suppliers are free to sell phosphatic fertilizers in the open market with no subsidy from the Government. Imported DAP is available at a considerably lower price compared to the cost of production of indigenous units. Faced with this situation, a number of DAP units have suspended production. Units making nitrogenous fertilizers are however functioning normally.

In dealing with this situation for the phosphatic industry Government are keen to ensure supplies at affordable prices to farmers. Accordingly, the focus is on helping the industry to bring down their cost of production and become more competitive. Government has already abolished customs duty on import of phosphoric acid. Government has also announced a scheme of refund of customs duty paid on capital goods, ...as also a concession of 3 per cent in interest rate on term loans, provided that the net interest rate after adjustment of this concession remains at a minimum of 12 per cent. These concessions are available to all the fertilizer plants commissioned on or after 1.1.1991. The phosphatic industry has also filed an application for initiating anti-dumping proceedings in respect of imported DAP.

Steep rise in the price of 'Acitrom-4 tablet

@1880. SHRI VISHWASRAO RAMRAO PATIL: Will the PRIME MINISTER be pleased to state:

(a) whether Government are aware that 'Acitrom-4 is a life saving drug and used in curing heart ailment;

(b) if so, whether Government are also aware of the fact that the prices of 'Acitrom-4' has gone up from Rs. 13/- per tablet to Rs. 60/- per tablet;

(c) whether it is a fact that Dindevan and Variferin which are the substitutes of this medicine are also not available in the market;

(d) if so, the details thereof; and

(e) what are the reasons therefor and the action taken by the Government to check the Prices of 'Acitrom-4'?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) and (e) Acitrom-4 is a non-scheduled formulation, and the manufacturer increased the price from Rs. 9.15 in March '92 to Rs. 55.61 in November '92 for 10's strip. However, on Government intervention, the company has reduced the Price from Rs. 55.61 to Rs. 42.05 recently.

(c) and (d) No shortages of these formulations have come to the notice of the Government in the recent past.

Inquiry into the affairs of M/s. Lupin Labs. Limited

1881. SHRI ABDUL SAMAD SIDDIQUI: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the major producer of rifampicin M/s. Lupin Labs. Ltd., was to commence basic production long back but imports of intermediates and penultimates were permitted to the company by relaxing the conditions;

(b) whether it is a fact that recently when PMP of the company expired in March, 1993, advance imports for 1-2 years have been permitted;

(c) whether it is also a fact that the company has indulged in bungling of crores of rupees in imports and exports and have also got their input norms manipulated in respect of anti T.B. drugs and other drugs; and

@Previously Unstarred Question 298 transferred from 28th April, 1993.

(d) what steps are being taken to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) M/s. Lupin Labs. could not commence basic stage production within the stipulated period due to various reasons like technology constraints etc. The relaxation period has therefore been extended till 31.3.1993, after which the company is expected to commence basic stage manufacture. Accordingly import of intermediates have been permitted during this period upto 31.3.1993.

(b) No Sir. The company was given import entitlement in 1992-93 based on the allocation fixed for them taking into consideration the current requirements.

(c) and (d) Some discrepancy in respect of imports of raw materials for exports of anti-TB drugs is stated to have been noted by the Department of Company Affairs. It is understood that further action in this regard is being taken by the Department of Revenue and the Officer of the CCI and F.

Insignificant incidentals as against actuals

1882. SHRI ABDUL SAMAD SIDDIQUI: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the leader prices/ceiling prices for category II formulations are being notified with a view to help the manufacturers to take the higher prices from Government for the formulations;

(b) The reasons for allowing 8 per cent incidentals against actuals which are insignificant even to those formulators who use their own bulk drugs;

(c) whether it is a fact that producers are benefited by crores of rupees in this manner; and

(d) what is the position of rifampicin, trimethoprim, ibuprofen etc. where major producers of bulk drugs also use bulk drugs in their own formulations?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) and (c) Incidentals @ 8 per cent are allowed in cases of ceiling prices only and in other cases incidentals are allowed as per supporting documents subject to maximum of 8 per cent. Incidentals, are allowed to include in costing the expenses incurred on Central/State Sales Tax, freight, insurance, handling charges, purchase tax, entry tax, octroi etc. wherever applicable.

(c) No, Sir.

Restoration of fertilizer subsidy

1883. SHRI SHIV PRATAP MISHRA: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to restore fertilizer subsidy; if so, by when; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) Nitorgenous fertilizers still continue to be subsidised through the Retention Price Scheme. However, based on the recommendations of the JPC on Fertilizer Pricing all phosphatic and potassic fertilizers were removed from price and movement control w.e.f. 25-8-1992. Certain concessions in price have also been offered to farmers in the purchase of decontrolled fertilizers.

Shortage of Vitamin 'C'

1884. SHRI TARA CHARAN MAJUMDAR: Will the PRIME MINISTER be pleased to state:

(a) whether there is shortage of Vitamin 'C' in the market and manufacturers are demanding large advances for supply thereof and charging premium thereon;

(b) if so, whether Government are aware that Vitamin 'C' is being sold